UNITED STATES PATENT AND TRADEMARK OFFICE

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PTOL-90A (Rev. 04/07)

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

_____

Ex parte PETER T. ROBERTSON, DONALD BASHLINE and JASON
DEPASQUALE

_____

Appeal 2010-007495
Application 10/601,118
Technology Center 3600

_____

Before, MURRIEL E. CRAWFORD, ANTON W. FETTING and
JOSEPH A. FISCHETTI, *Administrative Patent Judges.*

FISCHETTI, *Administrative Patent Judge.*

DECISION ON APPEAL

The two-month time period for filing an appeal or commencing a civil
action, as recited in 37 C.F.R. § 1.304, or for filing a request for rehearing,
as recited in 37 C.F.R. § 41.52, begins to run from the "MAIL DATE"
(paper delivery mode) or the "NOTIFICATION DATE" (electronic delivery
mode) shown on the PTOL-90A cover letter attached to this decision.

STATEMENT OF THE CASE

Appellants seek our review under 35 U.S.C. § 134 of the Examiner's final rejection of claims 37-39 and 44-46. We have jurisdiction under 35 U.S.C. § 6(b) (2002). An oral hearing was held on September 16, 2010.

SUMMARY OF DECISION

We AFFIRM (37 C.F.R. § 41.50(b)).

THE INVENTION

Appellants claim a method for risk classification in automobile and other lines of insurance. (Specification 1:10).

Claim 37, reproduced below, is representative of the subject matter on appeal.

> 37 A method for risk classification of a prospective
> insured, said prospective insured applying for
> automobile insurance, said prospective insured
> belonging to a demographic group, said method
> comprising:
> a. providing to said prospective insured a set of
> four or more target questions;
> b. obtaining a set of responses to said set of four or
> more target questions from said prospective
> insured;
> c. automatically classifying said prospective
> insured into a risk class based at least in part on
> said set of responses;

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wherein said set of four or more target questions have been devised by a survey method comprising the steps of:

d. composing a survey of 50 or more candidate questions that are indicative of personality traits that may affect accident involvement and reporting;

e. providing said survey to a sample population of 200 or more people;

f. collecting information from said sample population, said information comprising:

    i.responses to said survey;
    ii.the number of automobile insurance claims reported by each of said persons in said sample population; and

    iii.conventional classification information for automobile insurance underwriting, said conventional classification information comprising;

1. age;
2. marital status;
3. years of driving experience;
4. number of miles driven per year;

g. analyzing said information to select said set of four or more target questions from among said candidate questions such that the survey responses by said sample population to said set of four or

more target questions significantly increase the
multiple correlation between said survey responses
and said number of automobile insurance claims
reported by said sample population when said
conventional classification information is
controlled for, said increase in the multiple
correlation being statistically significant to at least
the 5% level of confidence; wherein said step of
analyzing said information to select said set of four
or more target questions is carried out on a
particular computer modified to calculate multiple
correlations and the levels of confidence thereof.

THE REJECTION

The Examiner relies upon the following as evidence of

unpatentability:

DeTore   US 4,975, 840   Dec. 4, 1990

Haner, Charles F., A Prediction of Automobile Claims by
Psychological Methods, The Journal of Risk and Insurance, Vol. 35,
No. 1 (Mar. 1968), pp. 49-59.

Lajumen, Timo and Summala, Heiki, Drive Experience, Personality,
and Skill and Safety-Motive Dimensions in Drivers' Self-
Assessments, Person Individ. Diff. Vol. 19, ANo. 3 (1995), pp. 307-
318.

The following rejections are before us for review.

The Examiner rejected claims 37 - 39 and 44 - 46 under 35 U.S.C.

112, first paragraph as failing to meet the written description requirement.

The Examiner rejected claims 37 - 39 and 44 - 46 under 35 U.S.C. 112, second paragraph because the claims are indefinite.

The Examiner rejected claims 37 - 39 and 44 - 46 under 35 U.S.C. § 103 as being unpatentable over Haner in view of Lajunen and DeTore.

ISSUES

Have Appellants shown that the Examiner erred in rejecting claims 37 - 39 and 44 - 46 under 35 U.S.C. 112, first paragraph as failing to meet the written description requirement?

Have Appellants shown that the Examiner erred in rejecting claims 37 - 39 and 44 - 46 under 35 U.S.C. 112, second paragraph because the claims are indefinite?

Have Appellants shown that the Examiner erred in rejecting claims 37- 39 and 44 – 46 on appeal as being unpatentable under 35 U.S.C. § 103(a) over Haner in view of Lajunen and DeTore on the grounds that a person with ordinary skill in the art would understand that the content of a survey is non functional written material, and cannot render nonobvious an invention that would have otherwise been obvious?

FINDINGS OF FACT

We find the following facts by a preponderance of the evidence:

1. We adopt the Examiner's findings with respect to the rejection made under 35 U.S.C. § 103(a) as our own as set forth in the Answer on pages 8-14.

2. The Specification describes a methodology for devising a questionnaire wherein a person is to indicate a disagreement, agreement, or neither, and which questionnaire can include items such as:

> 1. "I often do and say things without stopping to think."
> 2. "All in all, I am inclined to feel a failure."
> 3. "I am able to do things as well as most other people."
> 4. "I am not really in control of the outcomes in my life."
>
> 5. "I am the victim of circumstances beyond my control."
>
> 6. "I can think of no good reason for hitting anyone."
> 7. "I don't find it particularly difficult to get along with loud mouthed, obnoxious People."
> 8. "I find it hard to understand people who risk necks just to experience a 'rush'."
>
> 9. "I find that luck plays a bigger role in my life than my ability."
> 10. "I get so 'carried away' by new ideas that I never think of possible snags."

(Specification 8:23-9:8).

3. The Specification further describes producing a 5% confidence level by

> Controlling for the conventional variables, the individual scores on the set of personality

>measures were then analyzed to find a group of
>items that significantly increase the multiple
>correlation. In this survey, data relating to four of
>the individual survey questions, however, were
>found to be useful in increasing the multiple
>correlation with the criterion variable to 0.49,
>which accounts for 24% of the variance. This five-
>fold increase in the predictive power is found
>significant at the 5% level.

(Specification 10:19-24).

>4. The Declaration of Nathan A. Thompson states:

>>I am a vice president of Assessment Systems
>>Corporation in St. Paul MN. My responsibilities
>>include the design and development of
>>computerized psychometric tests. In addition, I
>>have a Ph.D. in Psychometrics from the University
>>of Minnesota with a supporting area of
>>industrial/organizational psychology. I am
>>therefore qualified to render opinions on the
>>subject matter of patent application "Risk
>>Classification Methodology", US patent
>>application serial number 10/601118 (Robertson et
>>al.) and the cited prior art Lajunen et al.

(Declaration, p. 1 ¶1).

>5. Lajunen discloses that from a larger question field taken from an

original questionnaire by Levenson, only 12 items were subjected to a factor

analysis. (Lajunen, p.309)

ANALYSIS

We affirm the rejections of claims 37-39 and 44-47 under 35 U.S.C.

§ 103(a), and reverse as to the rejections made under 35 U.S.C. 112, first and

second paragraphs.

Rejection under 35 U.S.C. 112, first paragraph.

The Examiner found "that there is insufficient evidence that, at the time the invention was made, Applicant was in possession of a method in which greater than four questions met the 5% level of confidence criteria." (Answer 4).

We disagree with the Examiner. We find that the Specification lists an example in which ten questions are used to devise a questionnaire wherein a person indicates a disagreement, agreement, or neither to the questions presented. (FF 2). In addition, the Specification describes a methodology by which conventional variables are subjected to regression analysis to arrive at a predictive power at the 5% level (FF 3). We thus find that the Specification provides sufficient written description for the method of arriving at a 5% level of confidence regardless of the number of questions used in the survey. *Vas-Cath, Inc. v. Mahurkar*, 935 F.2d 1555, 1563-64 (Fed. Cir. 1991).

The 35 U.S.C. 112, Second Paragraph

The Examiner maintains that the phrase in claim "...step g. analyzing said information to select a set of four or more target questions from among said candidate questions such that the survey responses by said sample population .....significantly increase the multiple correlation..." because "[i]t is unclear how the questions are selected to ensure the claimed 'significant increase'". (Answer 5-6). The Examiner goes on to explain that the

"'significant ....correlation' statement appears to convey an intended result. There is no indication of how this correlation is determined or why it would automatically occur based on the preceding steps." (Answer 6). While we agree with the Examiner that the terms "significant correlation" is directed to an intended result, the use of the term as a claim limitation goes to patentable weight, and not to definiteness.

The rejection under 35 U.S.C. § 103(a)

Appellants' arguments against the rejection of each of claims 37, 38, 39, 44 and 46 are based on perceived deficiencies of Haner and Lajunen. Inasmuch as Appellant raises the same issues with respect to each of these references, we discuss them together, addressing each of Appellants' arguments in turn.

Appellants argue that in "Lajunen selected the target questions for their survey from a set of candidate questions found in a number of known personality tests based on theoretical considerations, not empirical results." (emphasis original) (Appeal Br. 16).

We find this argument unpersuasive because the claims are drawn to a method of classification in which process steps, and not content, are determinative of patentability. Appellants do not challenge the Examiner's finding that Haner discloses assembling survey information using responses to survey questions (Answer 8). We thus do not find error with the Examiner's analysis because Appellants' challenge is not to the methodology recited in the claims, but rather to the content of what is being

surveyed. In other words, since Appellants seek to distinguish the claims by the content of the survey questions used, this argument fails because we find that the content of the survey questions as recited in claims 37-39 and 44 - 47 is nonfunctional written material, and cannot render nonobvious an invention that would have otherwise been obvious. *In re Ngai*, 367 F.3d 1336, 1339 (Fed. Cir. 2004). *Cf. In re Gulack*, 703 F.2d 1381, 1385 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability).

Appellants argue that the sample size in Lajunen is disclosed as 113, whereas the sample disclosed by Appellants is 200, and thus "a person of ordinary skill in the art would not have had a reasonable expectation of significantly improved results relative to the increased cost of the study if he/she had provided it to more people." (Appeal Br. 19). We are not persuaded by this argument because Appellants have not alleged criticality in their 200 or more number, and therefore we see such a value as being no more than a matter of obvious design choice for a person with ordinary skill in the art designing a survey. *See, In re Hopkins*, 342 F2d 1010, 1015 (CCPA 1965).

Appellants argue that "…the Examiner has failed to provide any motivation for a person of ordinary skill in the art to modify Lajunen to select questions based on empirical results." (Appeal Br. 16). Appellants' argument fails because the Examiner's rejection under 35 U.S.C. § 103(a)

proposes modifying Haner, and not Lajunen as argued. (Appeal Br. 11).
Notwithstanding, Examiner found that the Lajunen survey is based upon
empirical results, such as the number of automobile insurance claims
reported by each person in a sample population (Answer 8).

Appellants argue that the claim limitation of "controlling for the
conventional classification information" is not met by Lajunen because
"Lajunen's subjects ranged in age from about 19 to about 28 years old. The
age of the Applicants' sample population, however, ranged from 16 to 77
years old (Specification page 10, line 8). Thus the Applicants had enough
range in age to control for age. Lajunen did not." (Appeal Br. 21). We are
not persuaded by this argument because Appellants' arguments are not based
on limitations appearing in the claims which merely recite "age" as a
conventional classification information without distinction to age ranges. *In
re Self*, 671 F.2d 1344, 1348 (CCPA 1982).

Appellants argue that "[i]t would not have been possible for Lajunen to
have selected a set of four or more target questions from his candidate
questions based on his method of data analysis… [because] Lajunen needed
all of his survey questions in order to calculate the multiplicity of personality
factors and driver behavior factors that he analyzed." (Appeal Br. 22-23).

We are not persuaded by Appellants' argument here because nothing
in Lajunen explicitly precludes the further selection of target survey
questions. In fact, Lajunen discloses using a larger question field taken from
an original questionnaire by Levenson, and then subjecting it to a 12 item

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factor analysis. (FF 5). Moreover, we find claim 37 only generally requires target questions carried out on a particular computer modified to calculate multiple correlations and the levels of confidence thereof. It is not apparent, and Appellants have not cogently explained, what these correlations are and in what respect they distinguish from known practices of correlating data to arrive at a statistical desired confidence level. "The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results." *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398. 415 (2007).

Since our rationale differs from that used by the Examiner, we use our authority under 37 CFR § 41.50(b) to denominate the rejection as a new ground to afford the Appellants an opportunity to rebut.

The remaining arguments presented by Appellants in their Brief are content based and/or are directed to the issue of correlating data to arrive at a statistical desired confidence level, which have been discussed above.

Appellants rely on a Declaration of Nathan A. Thompson to help overcome the Examiner's rejection. The declarant is said to be a vice president of Assessment Systems Corporation in St. Paul MN and his responsibilities are said to include the design and development of computerized psychometric tests. (FF 4) The declarant further states he has a Ph.D. in Psychometrics from the University of Minnesota with a supporting area of industrial/organizational psychology (FF 4). The statement however does not tell us what one learns in such positions in and

what specific knowledge one skilled in the art has of insurance risk classification based on the earned degrees and work experience. *Cf.* *Argyropoulos v. Swarup*, 56 USPQ2d 1795, 1807 (BPAI 2000) (explaining why defining the level of skill in the art in terms of degrees obtained is less helpful than defining it in terms of what such a person would have known and what the person would have been able to do).

CONCLUSIONS OF LAW

We conclude the Appellants have shown that the Examiner erred in rejecting claims 37 - 39 and 44 - 46 under 35 U.S.C. 112, first paragraph.

We conclude the Appellants have shown that the Examiner erred in rejecting claims 37 - 39 and 44 - 46 under 35 U.S.C. 112, second paragraph, that the claims are indefinite.

We conclude the Appellants have not shown that the Examiner erred in rejecting claims 37 - 39 and 44 - 46 under 35 U.S.C. 35 U.S.C. § 103(a) as being unpatentable over Haner in view of Lajunen and DeTore.

DECISION

The decision of the Examiner to reject claims 37-39 and 44-46 is affirmed.

This decision contains a new ground of rejection pursuant to 37 C.F.R. § 41.50(b) (effective September 13, 2004, 69 Fed. Reg. 49960

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(August 12, 2004), 1286 Off. Gaz. Pat. Office 21 (September 7, 2004)). 37

C.F.R. § 41.50(b) provides "[a] new ground of rejection pursuant to this

paragraph shall not be considered final for judicial review."

37 CFR § 41.50(b) also provides that the appellants, WITHIN TWO

MONTHS FROM THE DATE OF THE DECISION, must exercise one of

the following two options with respect to the new ground of rejection to

avoid termination of the appeal as to the rejected claims:

• (1) Reopen prosecution. Submit an appropriate amendment of the
claims so rejected or new evidence relating to the claims so rejected, or both,
and have the matter reconsidered by the examiner, in which event the
proceeding will be remanded to the examiner . . . .

• (2) Request rehearing. Request that the proceeding be reheard under
§ 41.52 by the Board upon the same record . . . .

No time period for taking any subsequent action in connection with
this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R.

§ 1.136(a)(1)(iv) (2006).

<u>AFFIRMED; 37 C.F.R. § 41.50(b)</u>

MP

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